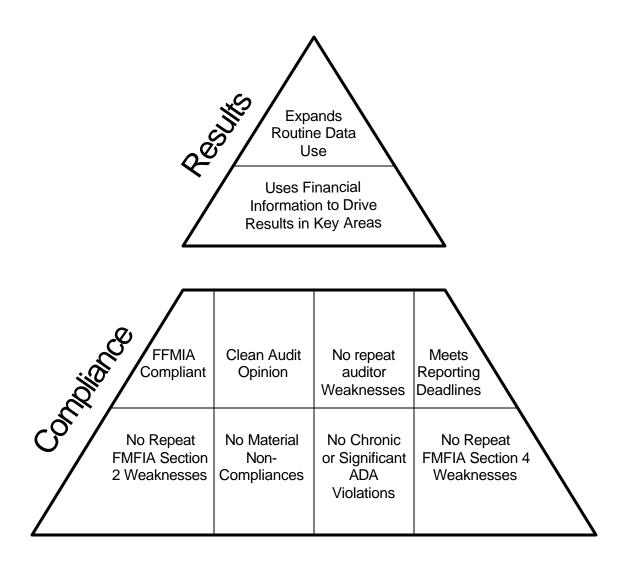
2006 Annual Government Financial Management Conference

August 10, 2006

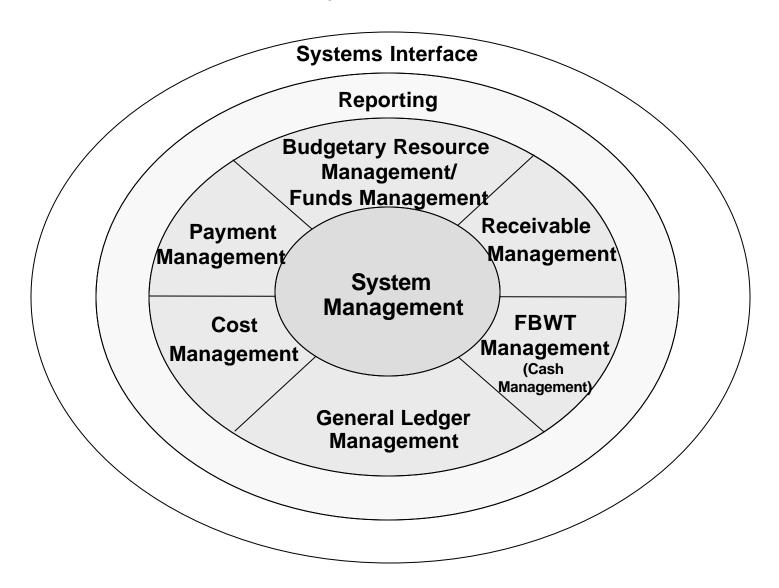
Improved Financial Performance



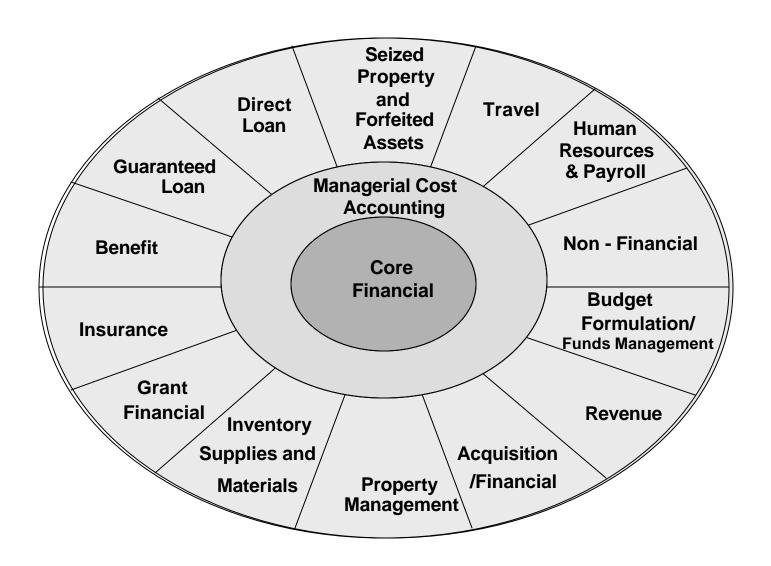
The FMLoB Vision

Improve the cost, quality, and performance of financial management operations by leveraging shared service solutions and implementing other government-wide reforms that foster efficiencies in Federal financial operations.

Core Financial System



Federal Financial Management Framework



The FMLoB Framework

Results

Improved performance of financial system solutions (agency and govt.-wide) – timely & accurate data for decisions; lower risk and cost; improved stewardship and accounting

Competitive Environment

A limited number of high performing and stable shared service providers that offer competitive alternative for Federal agencies

Seamless Data Integration

Financial data easily compared and aggregated across agencies; reduced cost and risk of establishing interfaces between agency business systems

Transparency

Performance Measures

Standard quality and cost measures for agencies to benchmark and compare performance of financial system alternatives

Migration Planning Guidance

Menu of services offered by COEs; rules of engagement; comparing public vs. private solutions; human capital implications

Standardization

Standard Business Processes, Rules, & Data Elements

Core financial functions such as payables, receivables, funds control

Common Accounting Code

Uniform standard structure, layout, definitions

FMLoB Governance

- OMB
 - Policy and Migration Planning Guidance
- FSIO
 - FMLoB Project Management Office
 - Performance Measures
 - Standard Business Processes
 - Common Government-wide Accounting Code
 - Software Performance / Requirements
 - Issue System Requirements
 - Test and Certify FM Commercial Products
 - CFO Community Outreach
- CFOC FSIO Transformation Team
 - FSIO Oversight and Agency participation

FY06 FMLoB Projects

Migration Planning Guidance

Performance Metrics

Common Accounting Code

Business Process Standardization

Migration Planning Guidance

- Assists federal agencies in preparing for and managing their migration to a shared service solution.
 - Answers FMLoB procedural questions.
 - Provides insight about conducting a competitive procurement.
 - Provides initial performance measures.

Common Government-wide Accounting Code

- Develop a common government accounting code structure, including an applicable set of definitions, which all federal agencies will adopt
 - Short term outcomes:
 - Facilitate standardization of accounting structure at an agency level
 - Longer range outcomes:
 - Ease the transition to a new system / shared service provider
 - Attain universal understanding of the data definitions
 - Facilitate the ability to aggregate and compare data across government

Business Process Standardization

Sub-Function

Description

Payments

These processes include maintaining debtor information (CCR and others), warehousing payments, disbursing, and confirming and following up on payments.

Receipts

These processes include establishing receivables (fees, donations, and reimbursements), managing receivables, billing and billing dispute resolution, collecting on receivables, internal exchanges and delinquency management (referrals and offsets). This does not include loan repayments or tax collection.

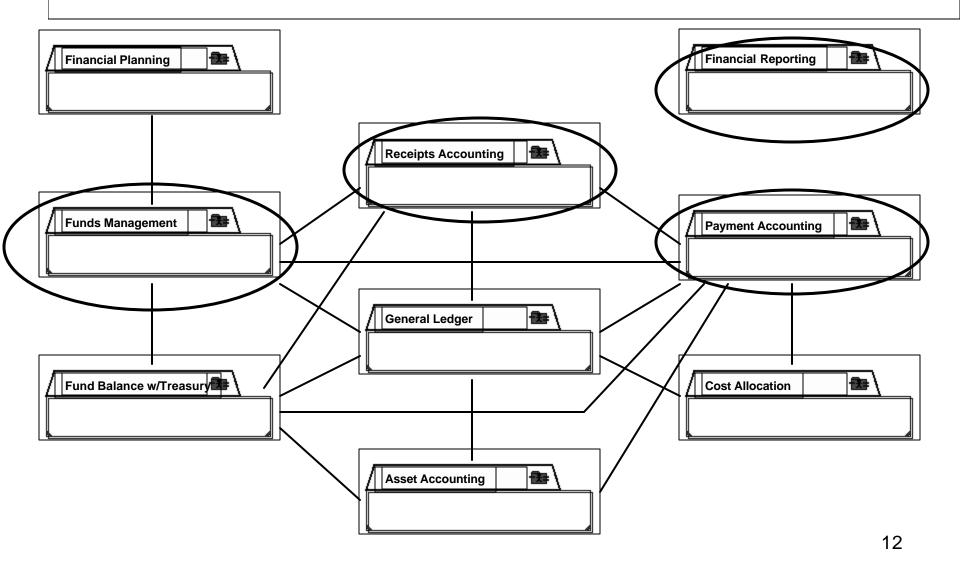
Funds

These processes include, executing the budget, allocating funds, and initial operating plan (spend plan).

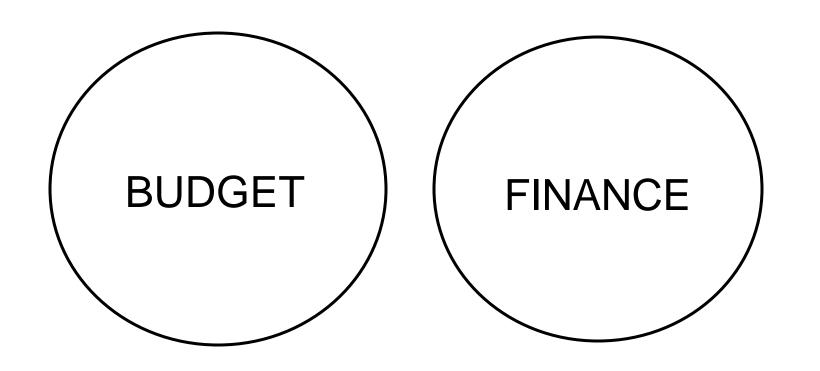
Reporting

These processes include preparing standardized financial reports (such as Agency Financial Statements, Budget Execution Report, TROR, etc.) and providing access to accounting and system monitoring information.

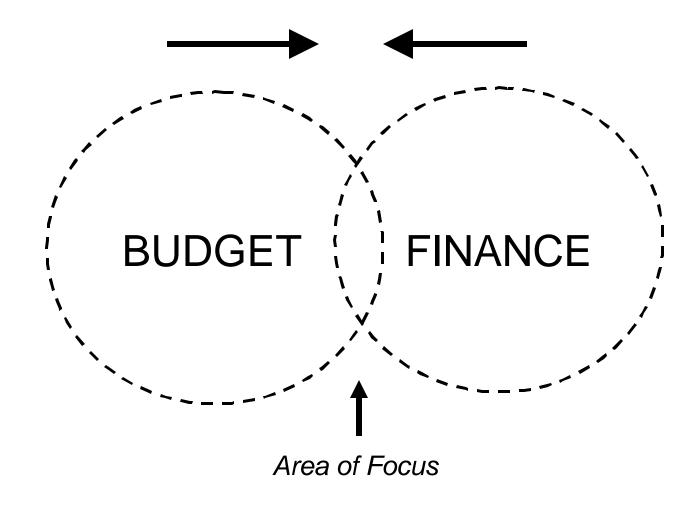
Business Process Standardization Scope



Budget LOB and FMLoB Relationship



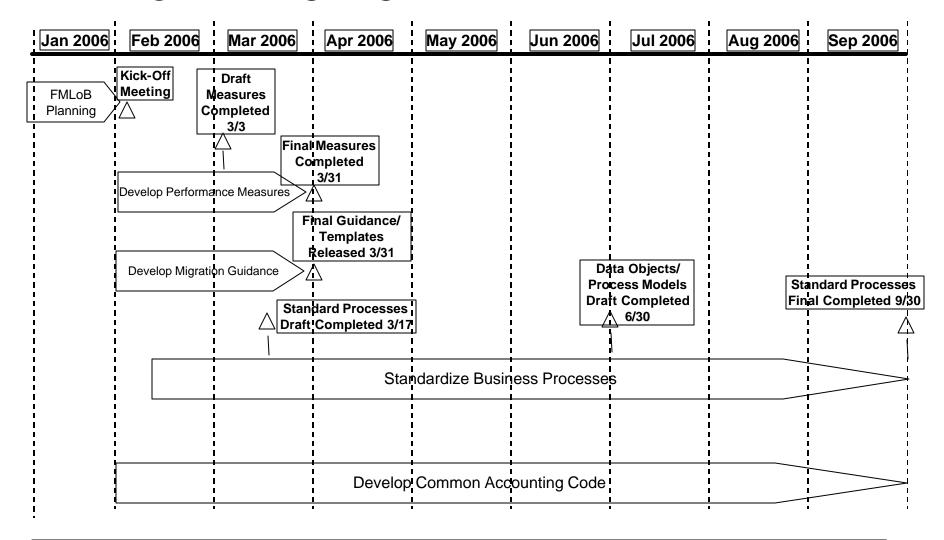
Budget LOB and FMLoB Relationship (cont'd)



Budget LOB and FMLoB Key Considerations

- A common lexicon of terms needs to be developed to ensure consistency across the Budget LOB and FMLoB
- Data standardization needs to occur at the interface level to ensure data elements can be easily shared between budget systems and financial management systems.
- The Budget LOB should review outputs from the Common Government-wide Accounting Code work to increase awareness of budget related data standards that are currently being developed.
- The business process standardization exposure draft will be released in September 2006. This exposure draft is considered "version 1" of the standardization effort and is subject to change in subsequent months.

FMLoB Timeline



Adam Goldberg agoldberg@omb.eop.gov

Keith Thurston keith.thurston@gsa.gov